

**Opening Statement of the Honorable Fred Upton**  
**Committee on Energy and Commerce**  
**Markup of H.R. 4471, the Gasoline Regulations Act of 2012 and H.R.**  
**4480, the Strategic Energy Production Act of 2012**  
**May 16-17, 2012**  
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American families are facing a cruel double-whammy of high gasoline prices and a still-struggling economy. Paying \$75 for a fill-up is tough enough on everyone, but especially so for the millions who remain unemployed. The public deserves better from their government, and with these bills, we take two critical steps in the right direction on gasoline affordability.

One step is Subcommittee Chairman Ed Whitfield's Gasoline Regulations Act, a long-overdue effort to assess the cumulative impacts of upcoming EPA measures that may affect gasoline prices. The other is Rep. Cory Gardner's Strategic Energy Production Act, which requires the administration to begin unlocking more oil-rich federal lands in response to any drawdown from the Strategic Petroleum Reserve. These commonsense and bipartisan measures deserve everyone's support.

There's no question that regulations add to the price of gasoline, but just how much is not something we know for certain. EPA rarely looks at the cumulative impact of its actions, which is of particular significance now that the agency is about to embark on a wave of new measures impacting refiners.

The Gasoline Regulations Act takes a look-before-you-leap approach on several upcoming Clean Air Act measures, including Tier 3 gasoline standards and the imposition of global warming regulations on refiners. In addition to requiring an inter-agency study of the impact on gasoline prices, the bill also requires an analysis of other factors such as the effect on refinery closures, which is of particular interest now that we are seeing several East-coast refineries potentially shutting their doors.

Now, some have argued that we should ignore upcoming regulations because they haven't affected gas prices just yet. But I believe we need to be concerned about gasoline affordability both now and in the future. Just as past mistakes and missed opportunities have contributed to today's high prices, these forthcoming measures from EPA deserve our scrutiny now, before they impose unnecessary future costs.

Perhaps the only thing more troublesome than the administration's decision to pile new regulations on gasoline producers is its decision to cut back on oil leasing at a time of high prices and Middle East turmoil. The potential to significantly expand domestic production is undeniable. Increased oil production on state and private lands shows us what is possible if we simply unlock the potential of the vast federal lands and offshore areas that are off-limits.

The Strategic Energy Production Act would do just that. The bill's logic is clear – if we face enough of an emergency to justify a drawdown of the SPR, then we certainly ought to be making better use of the nation's untapped oil wealth.

Now, there are some who claim that more American oil production won't lower prices. But, the last time I checked, the law of supply and demand had not been repealed. The American people understand full well that increased domestic drilling will lower oil prices. The president acknowledged as much when he tapped the SPR last June.

Gasoline prices today are more than double what they were when President Obama took office. Prices have dropped a bit over the last month, but that's hardly an excuse for doing nothing. Granted, \$3.75 a gallon is better than \$4.00 a gallon, but it is still no bargain, and if we maintain business as usual we could again be facing record high prices in the not-too-distant-future. This is no time for complacency, especially when EPA is poised to move ahead with a train wreck of new regulations and so much of the nation's oil wealth remains off-limits. Whether prices go up or down in the weeks ahead, I remain committed to sensible long-term approaches like those embodied in these two bills.

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